

# **Firing the Coach: How Governments Are Losing Elections in Europe**

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Are state governments in Europe losing elections with increasing frequency in the last few years? Is this an effect of the financial and economic crisis that began to burst by the mid-2000s? Does this imply a significant change in the voters' evaluation of governments' performance in comparison with past periods of higher economic and political stability? How are the different political parties suffering the effects of these changes?

We analyze these issues in the following pages according to this plan. First, we give an overview to the electoral upheaval that has crossed almost all Europe in the last few years and to some insights in previous studies on the subject. Then, we discuss the validity of both the "prospective" voting and the "retrospective" voting theories to deal with voters' motivations at the time of voting. Relevant questions to be discussed in the following sections include the characterization of the performance of the economy as a valence issue; the consequences of the transnationalization of economic relations, particularly within the European Union, for evaluating government's responsibility in domestic economic performance; and the institutional and party system differences between countries that can make that responsibility more or less easier to identify.

On the basis of this discussion, the last part of the paper presents a number of operationalized variables to estimate changes in economic performance, political party and government ideology, candidates' incumbency, and government parties' gains and losses of votes in successive elections. By statistical regression analysis we submit our hypotheses and conjectures to empirical tests.

We postulate that the voters' electoral behavior in many European countries during the last few years can be compared to the usual reaction to "firing the coach" in sports when a team underperforms regarding previous achievements and usual expectations. Although voters can be aware that governments are not fully responsible for a bad performance of the economy, as this has a transnational scope and depends on many other private and public actors, they take the option of making governments responsive because the existing institutional setting does not facilitate better targeted decisions.

A major implication of the results of the following analysis refers to the feasibility of making governments accountable for their real actions under the current conditions in most European countries and the European Union. As accountability is an essential element of representative democracy, the conclusions of this study may permit foremost normative inferences and intriguing wonders about the future of democracy at both the state and the Union levels.

## **1. Incumbency Disadvantages**

A high number of state-wide elections in European countries during the last few years have produced unprecedented results, especially regarding the defeat of parties in government. Just to mention a few outstanding cases, in Iceland in 2009 the incumbent Independence Party, which had been in power for eighteen years, lost a third of its support and went into opposition; in the United Kingdom in 2010 the incumbent Labour party obtained its worst result in proportion of votes since WWI, when it became a government party for the first time; in Hungary in 2010 the Social-democrats in government lost more than half of their previous electoral support; in Ireland in 2011 the Fiana Fail, the most common ruling party since the country's independence, slipped to third in votes; in Spain in 2011 the incumbent Socialists got their worst result since the reestablishment of democracy in 1977.

This kind of upheaval is not completely new. All across the 19<sup>th</sup> and the 20<sup>th</sup> centuries new financial crises were associated with high rates of prime ministers' turnover in democratic countries, with a peak during the Great Depression of the 1930s. Jeffrey Chwieroth and Andrew Walter note, however, that since the 1970s incumbent governments have been punished severely for crises and recessions that were often milder than in the troubled interwar period. They argue that this can be due to the disappointment of greater expectations regarding the benefits of economic governmental management that became entrenched in the post-WWII period (Chwieroth and Walter, 2010).

Specifically, the crisis of the 1990s and the parallel increase in European integration concurred with the end of long periods of single party dominances, such as for the Social-democrats in Sweden and the Christian-democrats in Italy. Further transnationalization of the economy seems to be decreasing both the capability of state governments to face crises and the subsequent voters' support to their rulers.

We focus on Europe because it's where both the depth of the economic crisis and the extension and duration of political turmoil are greater than in other regions of the world. It could have been expected that a crisis with such an international scope would have also pushed a number of dictatorial regimes out, especially in underdeveloped countries. But so far the economic consequences of decreases in foreign investment and trade in those countries have been less severe and a number of incumbent rulers have been able to portray themselves as innocent victims of the economic problems of the developed world. Whether the series of revolts and regime changes in the so-called "Arab Spring" can be closely associated to new economic troubles is to be explored. In Europe, nevertheless, there is the sense that the observed political instability during the last few years may be just the beginning of more grandiose transformations. (Pepinsky, 2012).

That a sudden, deep recession would hurt electorally the parties in government was not obvious at first sight. Actually there were a few early analyses conjecturing that the international scope of the crisis might trigger a turn in favor of incumbent governments as a consequence of both a sense of government's impotence and a reaction to seek refuge into the hands of sitting rulers in times of emergency. This would have been a similar reaction to the one it can be often observed with natural disasters, terrorist attacks or external aggressions. It was, thus, conjectured that citizens would condone bad economic performance of governments that could be deemed not to be fully responsible for domestic economic outcomes. One study found, for instance, that for the period 1975-2002 "voters residing in more closed economies were likely to sanction national leaders for past performance outcomes, but voters in open economies were relatively less likely to attribute reward or blame to domestic politicians for economic performance". (Hellwig and Samuels, 2007: cf; see also Fernandez-Albertos, 2006; Kayser, 2007).

In more recent years, however, the incumbents seem to have largely lost their traditionally assumed advantage. Actually in a relatively high number of recent European elections (in 10 of 23 cases from 2008 to 2011) the incumbent prime minister didn't even run as his or her party's candidate for reelection when the party presumed that its electoral support would be hurt by the government's bad performance and a new candidate could do better. Whether this has been confirmed or not is not possible to be tested, as it would imply comparisons with merely hypothetical occurrences. But the moves to launch new candidates by parties in government reveals that at least some party leaders felt that, in contrast to the usual assumption, the incumbent advantage has turned negative. Of course the actual results also depend on the relative capability of the opposition to take benefit from the government's erosion. We will try to account for these effects in the following pages.

## **2. Pro or Retro Voters?**

In well-established traditions of electoral studies there are two basic approaches to voters' motivations at the time of making their electoral choices. The "prospective" approach, as elaborated more prominently by Anthony Downs (Downs, 1957; Hinich and Munger, 1997), assumes issue voting by which voters basically ponder party policy proposals oriented towards the future. As stated by Downs, "Each citizen... votes for the party he believes will provide him with higher utility than any other party during the coming electoral period" (Downs, 1957: 38). Actually Downs did consider that the government's party past performance could be used by the voters to estimate its likely future policy positions. But as the incumbent's past actions can be either satisfactory or unsatisfactory or just bring about blurred information, he didn't include this variable in a more general voter's decision rule. In Downs's view, the voters may believe that the issues of the future are disjoint from the settled issues of the past, so past performance would be irrelevant.

In contrast, the "retrospective" theory, as initiated by V. O. Key (Key, 1966; Fiorin, 1981) presumes that voters are past-oriented and choose a party mainly for its previous performance in government. In Key's words, "Voters may reject or approve what they have known. They are not likely to be attracted in great numbers by promises of the novel or unknown" (Key, 1966: 61). Basically it is assumed that voters either punish or reward a party for its government management. A narrower version of this approach, usually known as the "economic vote", focuses on governments' economic performance. As put by some of its promoters, "Good [economic] times keep parties in office, bad times cast them out" (Lewis-Beck and Stegmaier, 2000).

The two approaches, though, may be less incompatible than it seems as they may be referring to different components of voter's choice. In an insightful synthesis, Douglas A. Hibbs, Jr. has postulated that voters may use a retrospective evaluation of a party's performance as a weight of credibility for the party's promises for the future. From observed pre-election performance, voters can infer useful information about likely post-election performance. In Hibbs' words, "Voters [as "principals"] settle up with their "agents" [parties] by evaluating performance ex-post for much the same reason –moral hazard— that insurance premiums are typically experience-rated". So if a party has had a high number of failures in its governmental experience, it will be less credible regarding its capacity to comply in the future with its policy proposals and therefore it will be low graded by the voters. Hibbs postulates, thus, that we can assume wide "prospective voting" with a "rational retrospection" (Hibbs, 2006).

A similar synthesis of voter's decision rule had previously been attempted by Morris Fiorina by making it "more complex, more inclusive" at integrating issue voting and retrospective voting (Fiorina, 1977). He introduced the voter's evaluation of the incumbent's performance as a "bias" of her voting decision based on policy proposals. He also made the clever point that policy convergence in a two-party system (as stipulated, in particular, by the median voter's theorem) leads to expect a tied election and then, in Fiorina's insight, the contenders will have "a compelling motivation to attempt to circumvent the limitation of campaign strategies to platform changes" (p. 607).

Indeed elections are asymmetric between the government and the opposition. This is because it can be assumed that voters can have a short memory and weight the recent performance of the party in government more heavily than some past, perhaps remote, or just nonexistent performance in government of the parties now in the opposition. Within this asymmetry it has traditionally been assumed that incumbents have an advantage, especially because they control and can select and manipulate information about the current state of the country and their own recent management. But as the voters' bias at

retrospectively evaluating parties and candidates refers to reliability or competency, it can also be negative for the government if its most recent management is associated with bad performance. In Fiorina's words, the better-known "incumbent... may be less preferred than an uncertain challenger" (Fiorina, 1977: 622).

Actually, one can wonder why most voters would bother with voting at all if their aim were only to punish or reward a party performance in government without implications for future management. Revealingly, Key portrayed the electorate as a "rational God of vengeance or reward" (Key, 1964: 568). The lesser-divine intuition of the "prospective" theory is that voters are not mainly concerned with judging the past per se but also have a strong interest in forthcoming policy-making, expected government performance and their subsequent benefits and that it's this interest that mainly drives them to the polls. As they cannot guess, however, to what extent a party's current policy proposals would be transformed into actual policy by a hypothetical party government, they may use "retrospective" evaluations of parties in their choice for the future.

### **3. The Economy Issue**

While the "economic voting" theory was almost given for dead a few years ago (see Anderson, 2007), it has recently returned riding on the horse of the high salience of the economic issue in virtually all elections in European countries in the last few years. A major critique against this approach is, of course, that democratic elections do not always focus on economic issues, but that other elements such as cultural issues (including race, religion, territory and moral issues), foreign and security crises, as well as non-policy affairs such as corruption scandals and leadership capacities, can be decisive in many electoral contests.

However, the salience of the economic crisis has been increasing in voters' concerns, the public debate and the electoral campaigns at least since 2008 and has become overwhelmingly dominant in the most recent elections in Europe. This is not an issue that all political parties have chosen as a priority for their messages and campaigns. Actually many parties in government, feeling that they would be unable to face the housing, the bank or the debt crises efficiently, would have certainly preferred to deal with some other issue on which their proposals could give them advantage. Some of them even tried to evade the economic crisis as a major electoral issue even when it was already undeniable by standard indicators. Certainly, other elements are relevant to explain electoral results. Many voters keep their party loyalties in spite of the changing agendas due to long-term cumulative party identification. Regarding the economy issue, some people blame the banks or other actors rather than the government for the crisis. But there has been an increasing and significant number of voters that have given the economic issue high political prominence, in a sufficient amount to make a difference in collective behavior and aggregate electoral results.

A crucial development is that in front of the current crisis the economy has ceased to be a policy issue on which parties can compete with clearly differentiated policy proposals and has become, at least for a while, a valence issue involving a big trend towards party policy convergence. It might have been expected that such a big crisis of financial capitalism would favor leftist parties, as people would seek refuge in governmental protection. But the international scope of the crisis has hurt especially those parties, like the Social-democrats and Labourites that have traditionally been more associated with an expanded role for state governments and with claims for the sovereignty of the states. In fact, virtually all

governments in European countries have adopted or have felt forced by the European Union to adopt “austerity” policies involving budget cuts, tax raises, cutoffs of public jobs and labor deals and regulations leading to frozen or reduced wages. This has entailed more drastic policy changes for leftist parties in government to move rightwards than the other way around. All government parties, however, have been hurt by the crisis. As put by *The Economist*, “A new politics has emerged in which old allegiances have frayed, political identities have blurred and voters’ trust in familiar parties has crumbled” (*The Economist*, April 28, 2011; see discussion by Kayser, 2009; Bartels, 2011). Whether or not party ideology matters for electoral performance under the current crisis conditions is to be tested below.

If parties converge in their policy positions and the most salient issue is a valence-issue, electoral competition tends to be centered on party and candidate’s performance and credibility. It’s this “bias” in evaluating party proposals that can make a difference, break a tie in a two-party competition or give some party a significant advantage in multiparty elections. This requires indeed a “retrospective” look at the pre-election performance in order to obtain appropriate information and cues about the likely future performance of parties and candidates.

This is how the “economic voting” approach is having a revival, although its fit can be just temporal and operational. The typical variables of the approach –economic issue and past government performance— should be selected as relevant elements by any reasonable analysis of the current situation even if it were developed from different theoretical and analytical bases. In future elections, nevertheless, other issues can be salient and decisive, as has occurred so many times in the past. On some of these issues, political parties may also be able to compete on different policy positions not implying convergence. Thus, alternative operationalizations of the basic “prospective with retrospection” voting model can eventually become more appropriate for analyzing future elections.

#### **4. Clarity of Irresponsibility**

Generally speaking, processes of transnationalization of human relations erode state governments’ capabilities. These processes affect not only important economic exchanges such as trade, investments and migrations, but also issues related to crime and security, health and environment and other facets of human relations. For sure governments’ performance also depends on a number of domestic factors, including local economic mismanagement, policy errors, corruption and failures of leadership. But voters can be aware of the degree of transnationalization of the economy and make state governments less responsible for crises and recessions than in past periods with closer economies.

As suggested above, two hypotheses have arisen regarding this question (see discussion in Kayser, 2007). For some, voters may develop a reaction in favor of the incumbent government in a comparable way to what is usually observed for natural disasters and other unassailable events. Also governments can present themselves as victims of incontrollable events. Thus what could be called “natural-disaster hypothesis” presumes that an international economic crisis may cast clarity of irresponsibility of state governments. Then, where transnational economic integration is high, like in the European Union, economic performance may have a smaller effect on the vote. More broadly, economic interdependence would reduce accountability and, thus, erode some crucial foundations of state-based democracy.

For others, however, a similar awareness of the transnational scope of the crisis and the voters’ capacity to clarify the irresponsibility of state governments for economic performance may produce a

political effect in the opposite direction, that is, to move voters' away from supporting their incumbent governments. If voters feel that state governments are strongly constrained in their policy choices, in particular by the directives, agreements and policy decisions of the European Union, they may consider party policy proposals in domestic elections less credible to be transformed into actual policies. Thus we can identify here a possible explanatory factor of governments' electoral defeats. It's not only that increasing economic transnationalization can hurt some of the government's previous supporters, such as farmers and small businessmen, or that the austerity policies provoking in the short term reductions of public spending and increases of unemployment may lead people previously benefitted from state services and jobs to punish the incumbent government. It's also that voters involved in internationalized economic sectors can now ponder the higher opportunity costs of maintaining support to inefficient or corrupt governments that might have been seen as lesser evils in the past. A general wave of growing distrust of elected politicians can indeed be observed in many countries in recent periods.

A common characteristic of the two hypotheses just sketched is that both may imply not misinformation on the side of voters regarding the role of domestic governments in economic performance, but rather awareness of their irresponsibility. In other words, not lack of clarity of responsibility, but clarity of irresponsibility. Then if voters cannot target responsible decision-makers for the economic crisis, why should they refrain from punishing whoever they may have at hand, which are, first of all, the government parties submitted to electoral verdict? This behavior does not necessarily imply that voters are irrational because they may be targeting the wrong guilty actors. Actually it may rather imply that voters can be rational and even relatively well-informed regarding the role of some political actors in the economic crises, but just not to have the appropriate institutional mechanisms for directing their mistrust to more appropriate targets. It's not only that some voters may want to "punish" governments for the crisis, but withdrawing support to previously voted for parties can also entail disbelief in their capacity to fulfill policy promises for the future, as previously suggested. Only more accountable European Union-wide officers and other transnational decision-makers could make the exchanges between voters, candidates and elected politicians more attuned to every actor's real responsibilities in public management.

Nevertheless, state-level institutional settings can also play a role in the capacity of voters to identify the appropriate responsible actors for public performance (as initially pointed out by Powell and Whitten, 1993). Generally, democratic regimes that concentrate and personalize political power are more likely to permit a clear identification of responsibilities and experience turnover during a crisis. Hence we could expect more targeted votes in presidential regimes. But as parliamentarism is the dominant institutional setting in European countries, the differences should be observed, if any, between those countries with concentrated single-party governments and those with coalition governments in which power is shared and several parties can be made somewhat accountable for the government's performance. We also try to test this question below.

## **5. Empirical Analysis**

Our empirical analysis is based on 63 parliamentary elections in 29 member-states and official candidates of the European Union from January 2004 to December 2011. We seek to see whether the previously discussed relations among economic and political variables hold for the whole period. But we will also look at whether there has been an increasing relationship between them by splitting the sample of

observations into two periods --before and after September 2008. This is an increasingly accepted dividing moment in the analysis of the economic crisis as it refers to the bankruptcy of the global financial firm Lehman Brothers, the largest bankruptcy in U.S. history, which was at the same time a high alarm signal to public opinion and the trigger of further actual financial crises. Specifically we work with 35 elections before September 2008 and 28 elections afterwards and use a dummy variable 0,1 to account for this periodification. (See Table 1).

The dependent variable to be explained is the change in electoral support for parties in government. We operationalize this by measuring relative changes in percentages of votes between two successive elections, according to the formula:

$$(\% V_{it} - \% V_{it-1}) \times 100 / \% V_{it-1}$$

where :

$\% V_{it}$  : percentage of votes for party  $i$  in election at time  $t$ ;

$\% V_{it-1}$ : percentage of votes for party  $i$  in the previous election.

We choose relative and not absolute change in percentages of votes because the loss of, say, 10 percentage points for a party with a previous support at 20 percent entails a great loss (50% in our measurement), while the same absolute difference of ten percentage points for a party with previous support at, say, 40 percent, is a relatively minor loss as it is keeping most of its previous voters (the loss is just 25% in our measurement). This measure permits us to grasp the degree of gains or losses with a single variable, instead of having to use both the absolute percentage of votes in the previous election and the absolute difference in percentages between successive elections.

With this we can also approach indirectly the effect of some institutional differences previously mentioned, as a party with large support (such the 40 percent in the example) tends to form a single-party government or a coalition government in which it can be the dominant partner, while a party's smaller size (such as the 20 percent just taken as example) tends to be associated with its participation in a multiparty coalition government.

Nevertheless, in order to check these differences more explicitly we also measure separately the relative change in electoral support for the incumbent prime minister's party and for the total of parties in the incumbent government coalition, if different. The values for these variables are presented in Figures 1 and 2. (Data sources: cf).

The average relative change of votes from 2004 to 2011 for the Prime minister's party was -11.4%, and for all the government parties it was -15.4%. But the values for the prime minister's party are notably different for the two periods just identified: -5.7% and -18.6%, respectively. Similarly, for the coalition government parties the values are -9.8% and -22.4%, respectively. All in all, more than half (51%) of elections from 2004 to 2008 led to a change of the prime minister's party. But again the differences between the two periods are remarkable: 44% and 63%, respectively. There are reasons, thus, to sustain the hypothesis that the worsening of the economic situation in more recent years has been associated with the increasing frequency of electoral losses of incumbent parties and government defeats.

As explanatory or independent variables we first choose the economic performance. We operationalize this in two ways (by using data from OECD and Eurostat). First, for each country we take the average percentage of growth of the Gross Domestic Product in the four quarters before the quarter of each election. This rather usual index reflects the stronger impact of recent performance on voters'



information and motivation. The values are notably different for the two periods previously identified: 4.4% for the first period and 0.7% for the second period.

Second, for each country we take the percentage of unemployment at the time of election (as given by the mentioned sources for the month before). For this index the values are also worse for the second period although not so different as for the previous index: 7.6% for the first period and 9.6% for the second.

In accordance to our previous discussion, we also select as a second explanatory variable the government's party ideology in order to check whether leftist or rightist parties suffer greater losses in electoral support. For this we use operationalizable data of parties' ideology on a left-right scale from 0 to 10 based on expert surveys (source: Parl.gov.org). We can use these values both along the continuum and in simplified classifications of parties in clusters on left, center and right positions.

An additional variable captures whether the incumbent prime minister ran as top candidate for his or her party or was replaced with a new candidate. This is operationalized as values 1 for the former occurrence and 0 for the latter.

Finally, we include the following additional variables of control:

- Time in office of the incumbent prime minister's party. With this we can capture the fact that longer tenures may entail higher likelihood of losing elections independently of other factors. We measure government duration in years. The average value is 6.1, that is, barely one and a half term (as legislative terms are of four or five years), which means that an incumbent government's party may have only about 50% likelihood of being reelected. This also seems to confirm the vanishing of the traditional incumbency advantage.
- Post-communist countries in Eastern Europe. With this we take into account the well-established observation that recent democracies tend to have less institutionalized party systems and experience higher electoral volatility. Indeed, a high proportion of elections in our sample (40%) have been in those countries, so the effect could be significant. We include this as a dummy variable 0,1.

The results of the statistical analysis, as presented in Table 2, can be summarized as follows. The rate of economic growth is a statistically significant predictor of relative change in the electoral support for the incumbents, especially for the prime minister party and also for all the parties in coalition governments. More growth entails relatively better incumbent electoral performance; less growth or recession, worse electoral performance. Likewise, the negative impact of the level of unemployment is significant for both measures of incumbent electoral performance and higher for the prime minister's party.

We observe that the association of the variables measuring economic performance and the measure of relative change in electoral support for the incumbent prime minister's party is relatively stronger for larger parties. This may be taken as support for the hypothesis that concentrated and personalized political power, as is especially the case in single, large party governments, permits a better identification of responsibility for government management and therefore is more likely to experience turnover during a crisis.

Regarding the prime minister's party ideology, we use both the quantitative scores on the 0-10 left right axis and a dichotomic classification of left vs. right, as for whether it has higher or lower scores than 5. As shown in Figure 3, leftist governments have performed systematically worse than rightist governments. But when taking economic performance into account we find no evidence of a relatively

worse electoral performance for either left or right governments. This seems to suggest that left governments can be associated with periods of worse economic performances, but the political consequences of bad rates of economic growth and unemployment hurt both leftist and rightist governments in similarly proportioned degrees. Even more clearly, the trends of rise and decline in relative change of electoral support over time are very similar for leftist and rightist governments, as can be observed in the Figure. We have also tried a trichomotic classification for left, center and right parties, as well as for parties' membership to Europe-wide political groups in the European Parliament (basically the Socialist, Liberal and People's groups), but the low number of cases for some of the categories makes the results not significant.

For the prime minister running for reelection we observe a relatively positive effect with statistical significance on the share of vote for his or her party. Nevertheless, as we discussed above, it's not possible to disentangle the endogeneity of this variable, as government parties may tend to change their candidate when the economy is performing badly and they expect a bad electoral result, so tending to present the prime minister for reelection in relatively favorable circumstances.

The dividing line between and after September 2008 does not turn out to produce significant results. Economic performance accounts for the worsening electoral performance of both the prime minister's party and the government parties in both periods. This can be read as stable sensitivity of voters' behavior to the degree of economic crisis. As the economic variables after September 2008 perform worse than before in most countries, the incumbents performance also worsen, but no identifiable change in voters' evaluation of government's performance can be observed between the two periods.

Regarding the other control variables, time in office and post-communist country, although they work with the expected negative signs, they turn out not to be statistically significant. This also confirms the significance of the association between economic performance and incumbent's electoral performance, which is the main result of our analysis.

## **6. Concluding Comments**

We have observed that state government's parties in European Union countries are losing elections in high frequency during the last few years, especially since the financial and economic crisis became broadly visible around September 2008. The electoral performance of the government's party appears to be clearly associated with the economic performance of the country just before the election, as measured by rates of economic growth and levels of unemployment. The relative losses of votes are somewhat higher for large parties, which typically form single-party governments or party-dominated coalitions, than for smaller parties participating in multiparty coalition governments, as the former can be made more easily responsible of bad performance than the latter.

We have not found clear evidence of changes in the sensitivity of voters' electoral behavior to changes in the economy. Frequent turnover of incumbent prime minister's and government's parties seems to be mostly explained by the worsening of the economic conditions in comparison with the immediately previous period. Although European electorates may be experiencing an increasing frustration of previously accumulated expectations regarding the benefits of government's management, the statistical techniques so far used in this analysis does not show that voters are behaving essentially

differently from previous periods in which the economy could have also been the most prominent electoral issue.

The higher frequency of defeats of incumbent leftist parties can also be explained by the bad economic conditions in which, in general, these parties have run for reelection in the last few years. But whether a relatively worse economic situation can be partly due to the previous management of those left parties in government is yet to be explored.

These results suggest continuity with earlier experiences, particularly with the immediately previous period 2004-2008. Nevertheless, a new fact in the most recent period is that the increasing transnationalization of economic relations has further weakened the state governments' capability to face economic difficulties and may have weakened the subsequent voters' trust and support. Together with the tendency towards parties' convergence in economic policy positions, which is greatly a result of the increasingly authoritative role of the European Union institutions over the state governments, transnationalization has made voters' electoral choices in state-level elections less relevant for policy-making.

In the light of turmoil such as the one we are observing, some authors have speculated with a general propensity of voters to make their choices in reaction to irrelevant events that governments have nothing to do with and for which no government response would be expected, as might also be the case for important aspects of the economic crisis nowadays. Some have gone so far as to try to estimate the electoral impact of disparate events such as local college football or basketball games (Healy et al., 2010) or of "acts of God" such as bad harvests, shark attacks, droughts and floods or pandemics. The speculation amounts to presume that ignorant voters can believe in untested connections and be victims of demagogues, although this may not necessarily require presuming that most people are irrational (Achen and Bartels, 2004).

We make a different reading of recent events related to the economic crisis and want to suggest a comparison with the "firing the coach" typical reaction to defeats and failures in sport matches and tournaments. As elaborated, for instance, in the growing discipline of economics of football, firing the coach is analyzed as a ritual scapegoating (Dobson and Goddard, 2011). Sport club members, like voters in state-level elections in our case, can be aware of the fact that a failure, such a team's or an economy's underperformance, is due to a number of factors that cannot be fairly simplified as only bad management. But managers and governments are punished, even if many people realize that they are not always fully responsible for all the team's or the economy's performance, precisely because voters cannot trust promises for the future anymore and regular democratic functioning requires making the managers and the rulers responsive.

Nevertheless, as in a typical occurrence in sports regarding the team achievements when a new manager is appointed, the choice of a new prime minister may make no difference to economic performance. Actually, increasing political instability can even add a new element of distrust and trouble to the numerous previously existing factors for economic recession and high unemployment. In many elections in European countries in the last few years voters have offered the prime minister's head in ritual sacrifice. But as a change of prime minister may not improve the government's capacity for facing the crisis effectively, further disappointments may still increase the frequency of governments' turnover and the degree of political instability. Further studies will have to account for the attuning of this prediction.

Table 1. Sample of Elections

1. Austria, 2006, 2008
2. Belgium, 2007, 2010
3. Bulgaria, 2005, 2009
4. Croatia, 2007, 2011
5. Cyprus, 2006, 2011
6. Czech Republic, 2006, 2010
7. Denmark, 2005, 2007, 2011
8. Estonia, 2007, 2011
9. Finland, 2007, 2011
10. France, 2007
11. Germany, 2005, 2009
12. Greece, 2004, 2007, 2009
13. Hungary, 2006, 2010
14. Iceland, 2007, 2009
15. Ireland, 2007, 2011
16. Italy, 2006, 2008
17. Latvia, 2006, 2010, 2011
18. Lithuania, 2004, 2008
19. Luxembourg, 2004, 2009
20. Malta, 2008
21. Netherlands, 2006, 2010
22. Poland, 2005, 2007, 2011,
23. Portugal, 2005, 2009, 2011
24. Romania, 2004, 2008
25. Slovakia, 2006, 2010, 2012
26. Slovenia, 2004, 2008
27. Spain, 2004, 2008, 2011
28. Sweden, 2006, 2010
29. United Kingdom, 2005, 2010

Note: This includes 27 member-states at the moment of writing plus Croatia and Iceland, but excluding Macedonia, Montenegro and Serbia for lack of economic data and Turkey for not being ranked as a free electoral democracy by international agencies.

Table 2. Regressions of Relative Change in Incumbents' Electoral Performance

A. On GDP growth and unemployment rate

Linear regression

Number of obs = 59

F( 4, 27) = 6.37

Prob > F = 0.0010

R-squared = 0.2817

Root MSE = 22.515

(Std. Err. adjusted for 28 clusters in Countrycode)

PMrelchange	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
Timeoffice	.2984511	.7211542	0.41	0.682	-1.181235	1.778137
Postcom	-9.110207	6.828886	-1.33	0.193	-23.12192	4.901509
Q1Q4Growthper	3.035896	1.065242	2.85	0.008	.8502005	5.221592
Unemp	-1.966633	.7318872	-2.69	0.012	-3.468342	-.4649249
_cons	-2.560573	9.469241	-0.27	0.789	-21.98985	16.8687

B. On Left-Right prime minister's party ideology

Linear regression

Number of obs = 59

F( 5, 27) = 5.62

Prob > F = 0.0011

R-squared = 0.2843

Root MSE = 22.686

(Std. Err. adjusted for 28 clusters in Countrycode)

PMrelchange	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
Timeoffice	.2842087	.7043845	0.40	0.690	-1.161069	1.729486
Postcom	-8.836925	6.721455	-1.31	0.200	-22.62821	4.954361
Q1Q4Growthper	2.980731	1.049109	2.84	0.008	.8281364	5.133325
Unemp	-1.931514	.7225532	-2.67	0.013	-3.41407	-.4489568
Left	-2.653244	6.537651	-0.41	0.688	-16.0674	10.76091
_cons	-1.601853	10.2379	-0.16	0.877	-22.60829	19.40459

C. Interaction between prime minister's party ideology and economic performance

Linear regression

Number of obs = 59

F( 7, 27) = 5.13

Prob > F = 0.0008

R-squared = 0.2870

Root MSE = 23.084

(Std. Err. adjusted for 28 clusters in Countrycode)

PMrelchange	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
Timeoffice	.2439683	.7050238	0.35	0.732	-1.202621	1.690558
Postcom	-8.140664	7.11969	-1.14	0.263	-22.74906	6.467734
Q1Q4Growthper	2.755195	1.454285	1.89	0.069	-.2287508	5.739141
Unemp	-2.225756	.9638116	-2.31	0.029	-4.203334	-.2481782
Left	-8.903858	15.28292	-0.58	0.565	-40.26182	22.45411
LeftUnemp	.535873	1.50741	0.36	0.725	-2.557077	3.628823
LeftGrow	.5798705	1.655941	0.35	0.729	-2.817841	3.977582
_cons	1.50704	11.45976	0.13	0.896	-22.00645	25.02053

#### D. On Prime minister running for reelection

Linear regression

Number of obs = 59  
F( 5, 27) = 7.65  
Prob > F = 0.0001  
R-squared = 0.3395  
Root MSE = 21.794

(Std. Err. adjusted for 28 clusters in Countrycode)

PMrelchange	Robust		t	P> t	[95% Conf. Interval]	
	Coef.	Std. Err.				
Timeoffice	.2773001	.6532401	0.42	0.675	-1.063038	1.617638
Postcom	-11.94922	6.672219	-1.79	0.085	-25.63948	1.741046
Q1Q4Growthper	2.829931	.9866376	2.87	0.008	.805518	4.854344
Unemp	-1.174125	.8386557	-1.40	0.173	-2.894904	.5466544
PMrun	17.70309	8.652894	2.05	0.051	-.0511805	35.45736
_cons	-21.95198	13.71935	-1.60	0.121	-50.10176	6.197805

#### E. On post-September 2008 period

Linear regression

Number of obs = 59  
F( 7, 27) = 4.46  
Prob > F = 0.0021  
R-squared = 0.3979  
Root MSE = 21.212

(Std. Err. adjusted for 28 clusters in Countrycode)

PMrelchange	Robust		t	P> t	[95% Conf. Interval]	
	Coef.	Std. Err.				
Timeoffice	.3799969	.4603605	0.83	0.416	-.5645848	1.324579
Postcom	-14.02262	5.871818	-2.39	0.024	-26.07059	-1.974643
Q1Q4Growthper	3.250473	1.109223	2.93	0.007	.9745355	5.52641
Unemp	-1.796775	.6987373	-2.57	0.016	-3.230466	-.3630847
Left04	-10.26617	7.181138	-1.43	0.164	-25.00065	4.46831
Center	-22.42989	8.015022	-2.80	0.009	-38.87536	-5.984426
AftLehman	-.5042898	5.358023	-0.09	0.926	-11.49804	10.48947
_cons	5.468792	10.31384	0.53	0.600	-15.69346	26.63105

Figure 1. Relative Change in Electoral Support for Prime Minister's Party

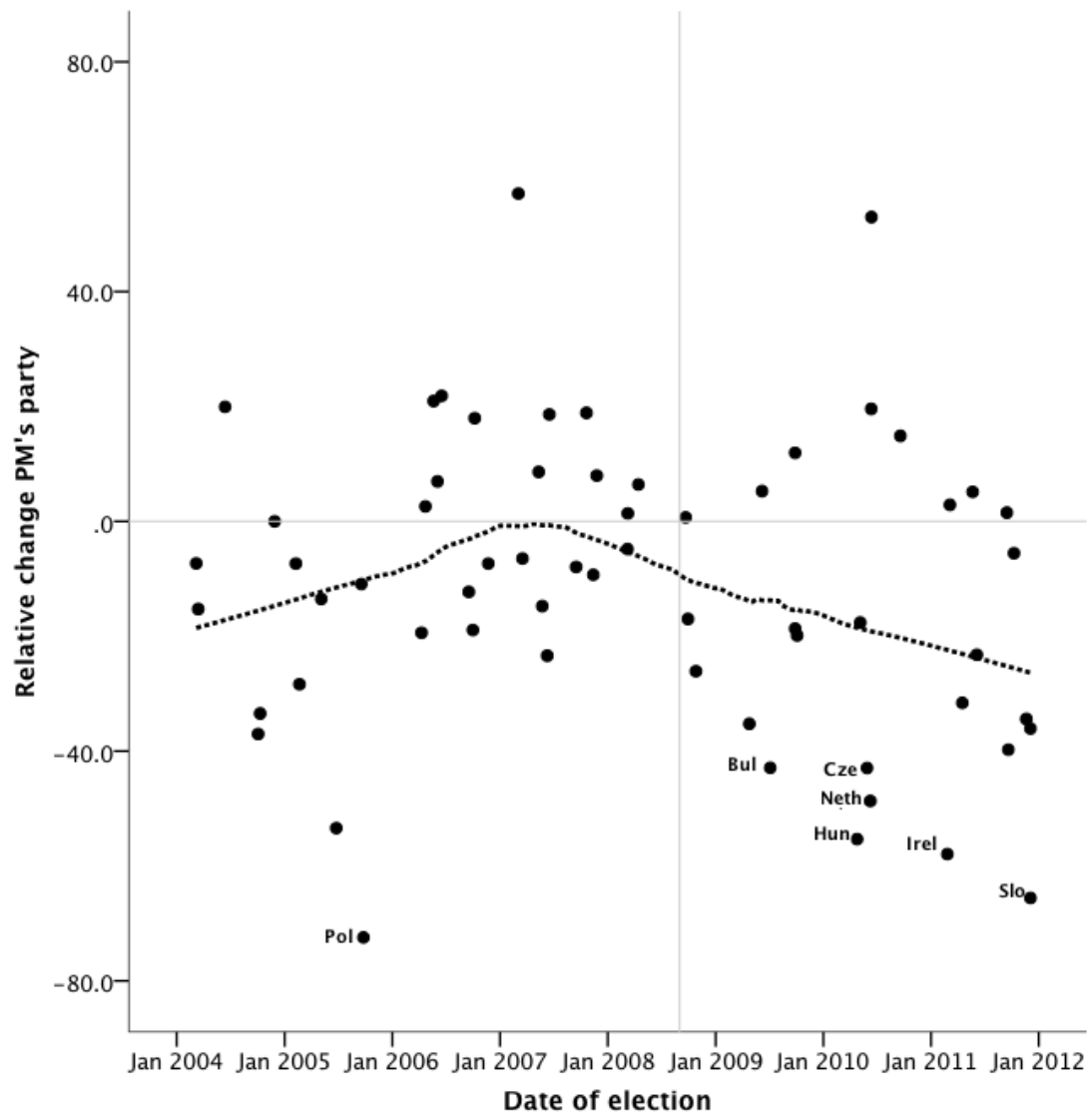


Figure 2. Relative Change in Electoral Support for Government Parties

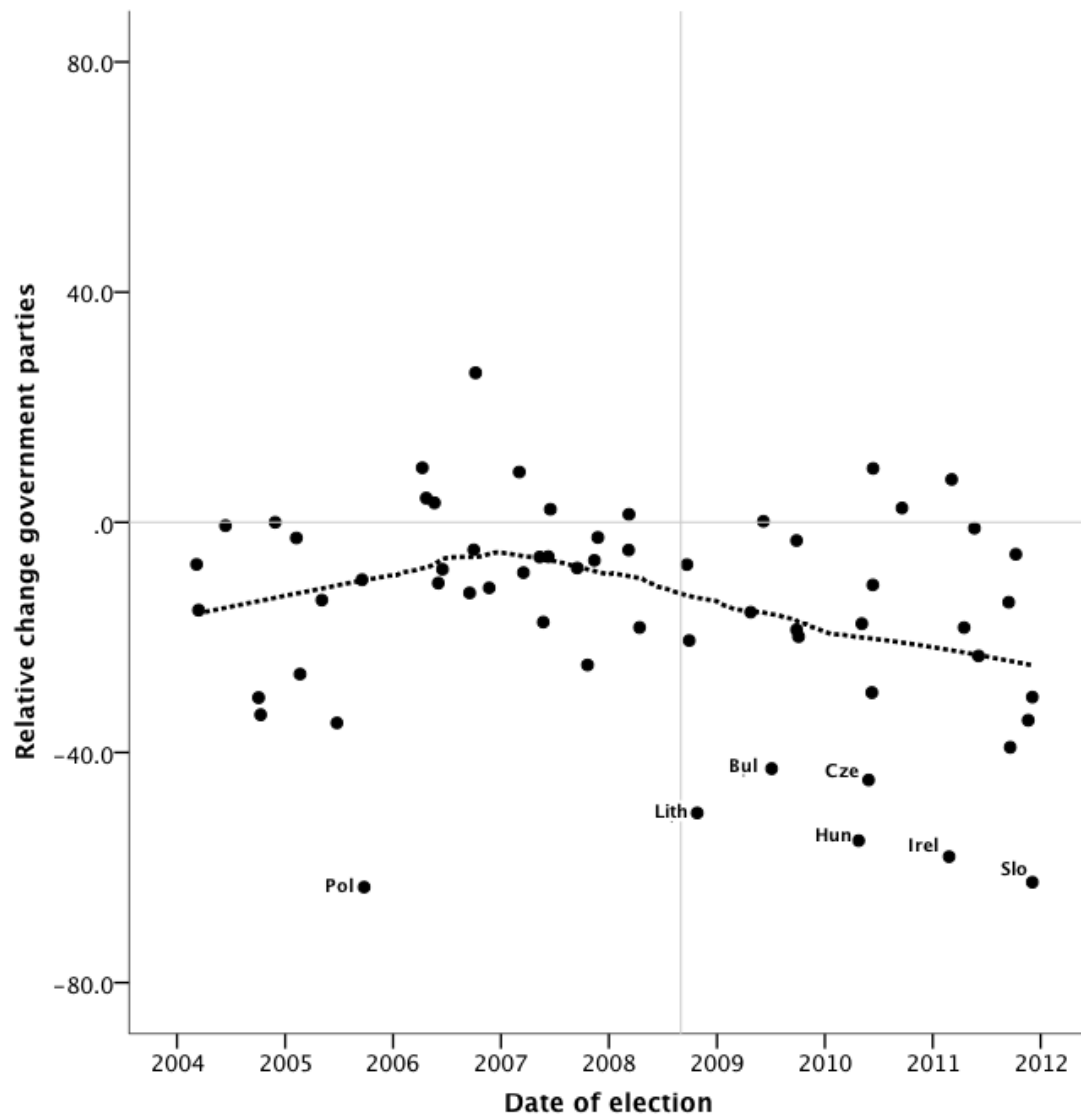




Figure 3. Left-Right Prime Minister's Party Ideology and Electoral Performance

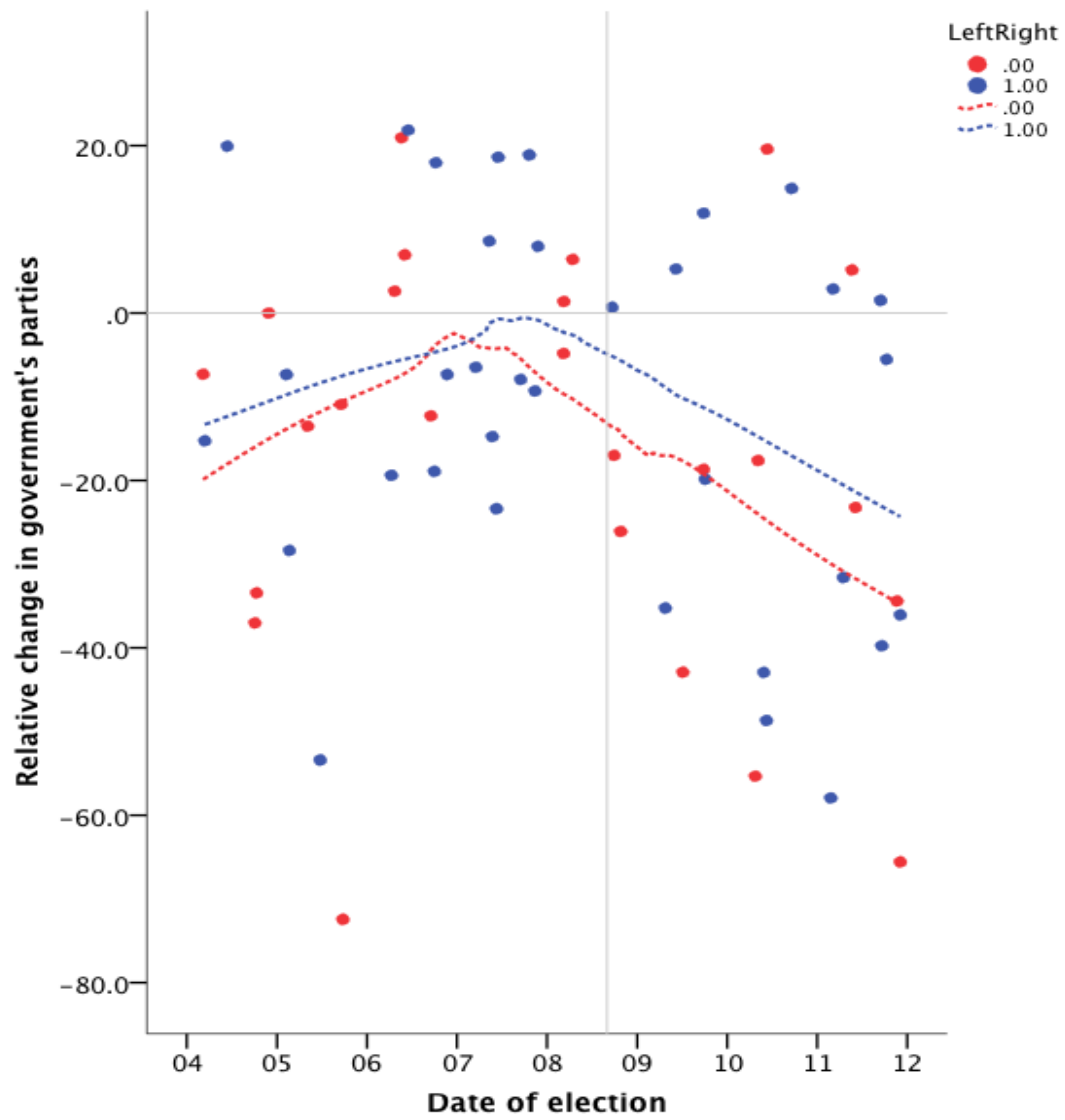
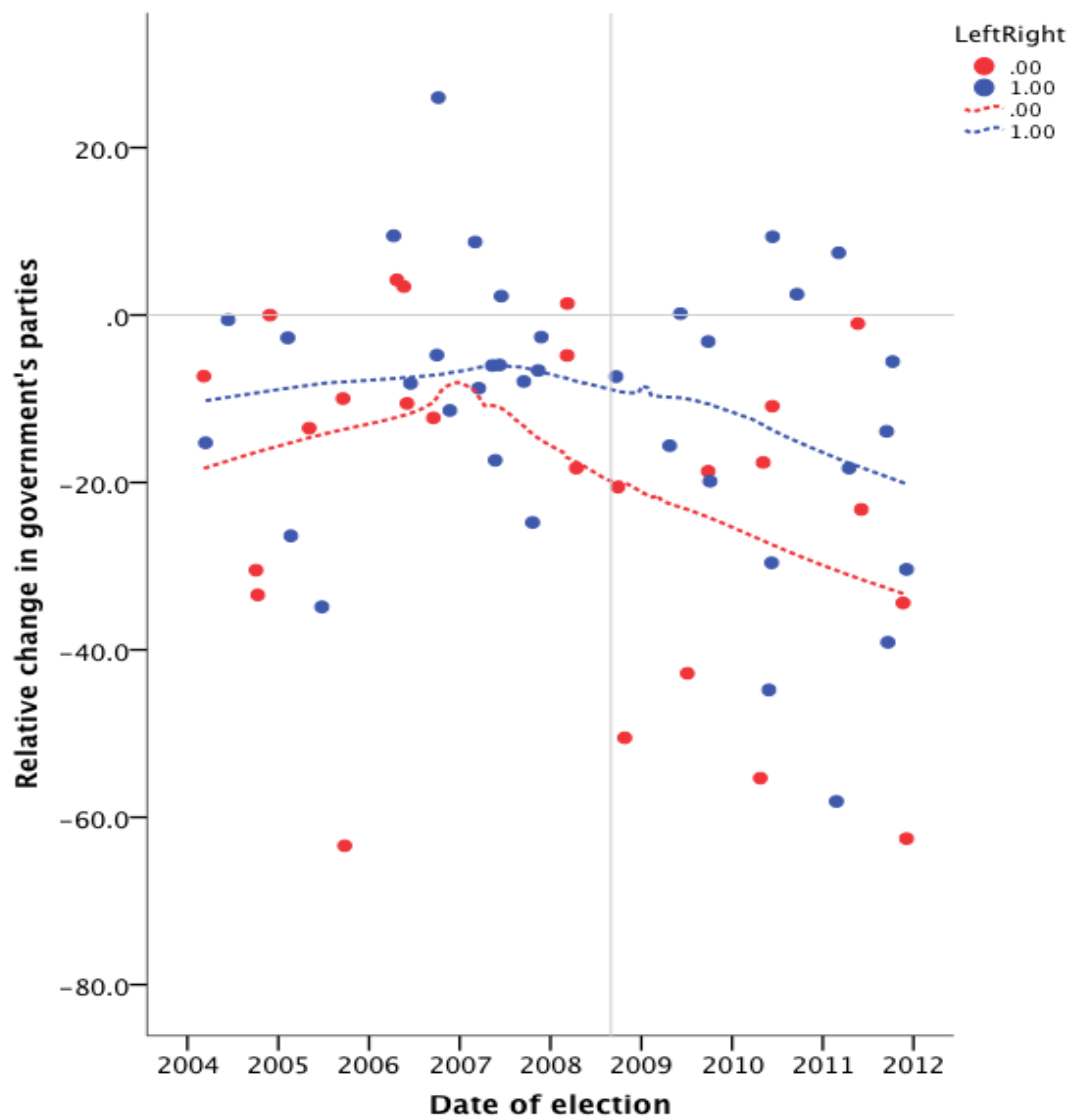


Figure 4. Left-Right Government's Ideology and Electoral Performance



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